



United States Attorney District of New Jersey

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MIDDLESEX, NEW JERSEY MAN PLEADS GUILTY TO FRAUD CONSPIRACY THAT GENERATED OVER \$3 MILLION IN UNEARNED TAX REFUNDS

TRENTON, N.J. – A Middlesex, N.J., man pleaded guilty today for his role in a conspiracy to file thousands of false and fraudulent federal income tax returns that caused the IRS to issue over \$3 million in refund checks, U.S. Attorney Paul J. Fishman announced.

Johnson Coker, 45, of Old Bridge, pleaded guilty before U.S. District Judge Freda L. Wolfson to an Information charging him with conspiracy to defraud the IRS.

According to documents filed in this case and statements made during Coker's guilty plea proceeding:

Beginning in January 2005, Coker, along with several co-conspirators, purchased the personal identifying information of hundreds of identity theft victims – including their names, dates of birth, and Social Security numbers. Coker and his co-conspirators then used the personal information of the victims to create and file materially false and fraudulent individual income tax returns with the IRS in the victims' names. Coker and his co-conspirators' objective was to cause false and fraudulent income tax refund checks to be issued by the United States Department of the Treasury.

Coker and his co-conspirators used their home addresses or addresses they controlled on the tax returns so they could receive the checks. In total, Coker and his co-conspirators used approximately 41 separate addresses for this purpose.

Coker and his co-conspirators would then deposit the checks into approximately 24 separate bank accounts. They then made cash withdrawals from the accounts or directed monies from those accounts to others they controlled.

From approximately January 2005 through October 2009, Coker and his co-conspirators filed thousands of returns that, combined, sought nearly \$11.5 million in refund checks, approximately \$3.2 million of which the IRS actually released.

The count to which Coker pleaded guilty carries a maximum potential penalty of 10 years in prison and a \$250,000 fine. Sentencing is scheduled for May 26, 2011.

U.S. Attorney Fishman credited the United States Postal Inspection Service, under the direction of Acting Postal Inspector in Charge Thomas E. Boyle; IRS - Criminal Investigation,

under the direction of Special Agent in Charge Victor W. Lessoff; and the Social Security Administration Office of Inspector General, under the direction of Special Agent in Charge Edward J. Ryan, for the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Lee Vartan of the U.S. Attorney's Office Economic Crimes Unit in Newark.

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Defense counsel: John Caruso, Esq., East Orange, N.J.